

## AMENDMENTS TO THE CLAIMS

### **Claims 1-12 (Cancelled)**

**Claim 13 (New)** A digital watermarking apparatus for receiving predetermined information and embedding a digital watermark into the predetermined information, said digital watermark apparatus comprising:

a verification unit operable to receive set value information, the set value information including (i) encrypted set values necessary to embed the digital watermark, combined with (ii) verification data, operable to verify the set value information by verifying the encrypted set values using the verification data, and operable to selectively generate a normal verification result and a not normal verification result;

a decryption unit operable to decrypt the encrypted set values of the set value information verified by said verification unit; and

a watermarking unit operable to embed the digital watermark into the received predetermined information, operable to output the predetermined information embedded with the digital watermark, and operable to invalidate the received predetermined information, wherein:

the normal verification result results in said watermarking unit embedding the digital watermark into the received predetermined information according to the set values decrypted by said decryption unit, and outputting the predetermined information embedded with the digital watermark; and

the not normal verification result results in said watermarking unit selecting one of (i) not outputting the received predetermined information, and (ii) invalidating the received predetermined information and outputting the invalidated received predetermined information.

**Claim 14 (New)** The digital watermarking apparatus according to claim 13, wherein said verification unit is operable to verify the encrypted set values using a digital signature and public key encryption.

**Claim 15 (New)** An application apparatus comprising:

a reproducing unit operable to reproduce predetermined information stored on a recording medium; and

said digital watermarking apparatus according to claim 13 operable to receive the predetermined information reproduced by said reproducing unit and operable to embed the digital watermark into the predetermined information, wherein:

said reproducing unit is operable to receive the verification result from said verification unit of said digital watermarking apparatus;

the normal verification result results in said reproducing unit reproducing the predetermined information; and

the not normal verification result results in said application apparatus selecting one of (i) said reproducing unit not reproducing the predetermined information, and (ii) said digital watermarking apparatus invalidating an output of said reproducing unit.

**Claim 16 (New)** An application apparatus comprising:

a receiving and decoding unit operable to receive predetermined information from a communication medium and operable to decode the predetermined information; and

said digital watermarking apparatus according to claim 13 operable to receive the decoded predetermined information and operable to embed the digital watermark into the decoded predetermined information, wherein:

said receiving and decoding unit is operable to receive the normal verification result and the not normal verification result from said verification unit of said digital watermarking apparatus;

the normal verification result results in said receiving and decoding unit receiving the predetermined information and decoding the predetermined information; and

the not normal verification result results in said application apparatus selecting one of (i) said receiving and decoding unit not performing at least one of the receiving and the decoding, and (ii) said digital watermarking apparatus invalidating an output of said receiving and decoding unit.

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**Claim 17 (New)**      An application apparatus comprising:

    said digital watermarking apparatus according to claim 13; and

    a recording unit operable to receive information output from said digital watermarking apparatus and operable to record the received information onto a recording medium, wherein:

        said recording unit is operable to receive the verification result from said verification unit of said digital watermarking apparatus;

        the normal verification result results in said recording unit recording the information output from said digital watermarking apparatus; and

        the not normal verification result results in said application apparatus selecting one of (i) said recording unit not performing the recording of the predetermined information, and (ii) invalidating the information output from said digital watermarking apparatus and said recording unit recording the invalidated information.

**Claim 18 (New)**      An application apparatus comprising:

    said digital watermarking apparatus according to claim 13; and

    an encoding and transmitting unit operable to encode information output from said digital watermarking apparatus and transmit the encoded information through a communication medium, wherein:

        said encoding and transmitting unit is operable to receive the verification result from said verification unit of said digital watermarking apparatus;

        the normal verification result results in said encoding and transmitting unit encoding the information output from said digital watermarking apparatus and transmitting the encoded information through a communication medium; and

        the not normal verification result results in said application apparatus selecting one of (i) said encoding and transmitting unit not performing at least one of the encoding and the transmitting, and (ii) invalidating the information output from said digital watermarking apparatus and said encoding and transmitting unit performing the encoding and the transmitting.

**Claim 19 (New)** A digital watermarking apparatus for receiving predetermined information and for embedding a digital watermark into the predetermined information, said digital watermarking apparatus comprising:

a decryption unit operable to receive set value information, the set value information including (i) verification data, combined with (ii) encrypted set values necessary to embed the digital watermark and encrypt at least a part of the set values combined with the verification data, and operable to decrypt the set value information;

a verification unit operable to verify the decrypted set values combined with the verification data included from the set value information decrypted by said decryption unit, and operable to selectively generate a normal verification result and a not normal verification result; and

a watermarking unit operable to obtain the verified set values from said verification unit, embed the digital watermark into the received predetermined information, and output the predetermined information embedded with the digital watermark, wherein:

the normal verification result results in said watermarking unit obtaining the verified set values from said verification unit, embedding the digital watermark in the received predetermined information using the obtained set values, and outputting the predetermined information embedded with the digital watermark; and

the not normal verification result results in said watermarking unit not outputting the received predetermined information.

**Claim 20 (New)** The digital watermarking apparatus according to claim 19, wherein said verification unit is operable to verify the decrypted set values using a digital signature and public key encryption.

**Claim 21 (New)** An application apparatus comprising:

a reproducing unit operable to reproduce predetermined information stored on a recording medium; and

said digital watermarking apparatus according to claim 19 operable to receive the predetermined information reproduced by said reproducing unit and operable to embed the digital watermark into the predetermined information, wherein:

said reproducing unit is operable to receive the verification result from said verification unit of said digital watermarking apparatus;

the normal verification result results in said reproducing unit reproducing the predetermined information stored on the recording medium; and

the not normal verification results results in said application apparatus selecting one of (i) said reproducing unit not reproducing the predetermined information, and (ii) said digital watermarking apparatus invalidating an output of said reproducing unit.

**Claim 22 (New)** An application apparatus comprising:

a receiving and decoding unit operable to receive predetermined information from a communication medium and operable to decode the predetermined information; and

said digital watermarking apparatus according to claim 19 operable to receive the decoded predetermined information and operable to embed the digital watermark into the decoded predetermined information, wherein:

said receiving and decoding unit is operable to receive the verification result from said verification unit of said digital watermarking apparatus;

the normal verification result results in said receiving and decoding unit receiving the predetermined information and decoding the predetermined information; and

the not normal verification result results in said application apparatus selecting one of (i) said receiving and decoding unit not performing at least one of the receiving and the decoding, and (ii) said digital watermarking apparatus invalidating an output of said receiving and decoding unit.

**Claim 23 (New)** An application apparatus comprising:

said digital watermarking apparatus according to claim 19; and

a recording unit operable to receive information output from said digital watermarking apparatus and operable to record the received information onto a recording medium, wherein:

said recording unit is operable to receive the verification result from said verification unit of said digital watermarking apparatus;

the normal verification result results in said recording unit recording the information output from said digital watermarking apparatus; and

the not normal verification result results in said application apparatus selecting one of (i) said recording unit not recording the received information, and (ii) invalidating the information output from said digital watermarking apparatus and said recording unit recording the invalidated information.

**Claim 24 (New)** An application apparatus comprising:

said digital watermarking apparatus according to claim 19; and

an encoding and transmitting unit operable to encode information output from said digital watermarking apparatus and transmit the encoded information through a communication medium, wherein:

said encoding and transmitting unit is operable to receive the verification result from said verification unit of said digital watermarking apparatus;

the normal verification result results in said encoding and transmitting unit encoding the information output from said digital watermarking apparatus and transmitting the encoded information; and

the not normal verification result results in said application apparatus selecting one of (i) said encoding and transmitting unit not performing at least one of the encoding and the transmitting, and (ii) invalidating the information output from said digital watermarking apparatus and said encoding and transmitting unit performing the encoding and the transmitting.